

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291

APPLICATION FOR TRANSFER
OF
NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Application is hereby made to transfer the permit to commence large mining operations for the
Cottonwood Mine mine, permit # M/047 /0064, currently
operated by Lexco, Inc. (transferor)
to American Gilsonite Company (transferee).

As used herein, TRANSFEROR refers to the current operator, TRANSFEE refers to the
proposed new operator, NOI refers to the Notice of Intention to Commence Large Mining
Operations; PERMIT refers to the approved (or accepted) NOI, including the reclamation
contract and reclamation surety.

Upon approval of the Application for Transfer:

1. The Transferor agrees to transfer all rights and obligations to operate under the terms of the NOI to the Transferee, The Transferor will not retain any rights to conduct mining operations within the area covered by the approved NOI.
2. Both parties understand the transfer of the ***NOI is not complete until all the applicable requirements are met***, including the submittal and Division approval of an appropriate reclamation surety and a reclamation contract.
3. The transferee has read and has a copy of the current NOI.
4. The Transferee has inspected the site and is fully aware of all existing conditions and responsible for compliance with the conditions of the permit and the obligations regardless of the nature of the conditions at the site.
5. Transferee shall conduct mining operations on lands included in the NOI in accordance with the Utah Mined Land Reclamation Act, (ACT) Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended), and the rules promulgated under the ACT (R647- et seq., and the approved NOI.
6. The Transferee shall provide a surety in a form and amount approved by the Division to assure reclamation of the lands affected by the mining operations.

The Transferor will remain liable for compliance at the mine site until this transfer application is approved.

m/047/0064
TASK 3323
cc: Leslie

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DEC 30 2000

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The signatory below represents that he/she has authority to execute this transfer on behalf of the Transferor, if not a natural person. Statements made in the application are true and correct to the best of my knowledge and belief.

TRANSFEROR:

Lexco Inc.

Operator/Transferor Name

By James Lekas

Name of Authorized Officer (Typed or Printed)

President

Title of Authorized Officer

[Signature]
Officer's Signature

Nov. 12, 2009

Date

STATE OF Utah)

) ss:

COUNTY OF Uintah)

On the 12 day of Nov., 2009, James Lekas
personally appeared before me, who being by me duly sworn did say that he/she is
an officer (owner, officer, director, partner, agent or other (specify))
of the Operator LEXCO INC
and duly acknowledged that said instrument was signed on behalf of said Operator
by authority of its bylaws, a resolution of its board of directors, or as may otherwise
be required to execute the same with full authority and to be bound hereby.

[Signature]
Notary Public

Vernal, UT
Residing at

4-3-2010
My Commission Expires:



The signatory below represents that he/she has authority to execute this transfer on behalf of the Operator/Transferee, if not a natural person; and the operator/transferee is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah. Statements made in the application are true and correct to the best of my knowledge and belief.

TRANSFeree:

American Gilsonite Company

Operator/Transferor Name

By Stuart L. Green

Name of Authorized Officer (Typed or Printed)

Senior Vice President of Operations

Title of Authorized Officer

Stuart L. Green

Officer's Signature

12/3/09

Date

STATE OF Utah

) ss:

COUNTY OF Uintah

On the 3rd day of DECEMBER 20 09, STUART L. GREEN personally appeared before me, who being by me duly sworn did say that he/she is an OFFICER (owner, officer, director, partner, agent or other (specify)) of the Operator AMERICAN GILSONITE COMPANY and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors, or as may otherwise be required to execute the same with full authority and to be bound hereby.

Nichole J. Bancroft

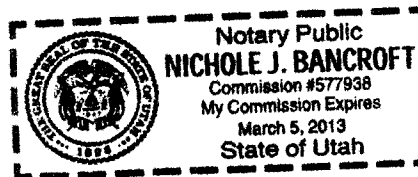
Notary Public

Bernal, UT

Residing at

3-5-2013

My Commission Expires:



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Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program. (R647-4-et seq.)

These pages will replace the corresponding pages in the original NOI.

1. GENERAL INFORMATION

1. Name of Mine: American Gilsonite Company
2. Legal name of entity (or individual) for whom the permit is being requested:
Mailing Address: 29950 S. Bonanza Hwy.
City, State, Zip: Bonanza, UT 84008
Phone: 435-789-1921 Fax: 435-789-1956
E-mail Address: sgreen@amgc.com

Type of Business:

Corporation ☒ LLC ☐ Partnership – general ☐ or limited ☐
Sole Proprietorship (dba) ☐ or Individual ☐

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC).

Are you currently registered to do business in the State of Utah? Yes ☒ No ☐

Entity # _____

If no, contact DOC at www.commerce.utah.gov to renew or apply.

Local Business License # : 2009260 (if required)

Issued by: City: Vernal or County: Uintah

If Business is a Sole Proprietor:

Name of owner: _____ Title: _____

Business Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

E-mail Address: _____

If Business is a Partnership:

Name of Partner: _____

Business Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

E-mail Address: _____

If Business is a Corporation:

Name of Officers: _____ Title: _____

Corporate Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Limited Liability Company: Member Managed _____ Manager Managed _____

Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

2nd Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

2. Contacts:

This person may be notified for: permitting ☒ surety ☒ Notices ☒
(please check all that apply)

Name: Stuart L. Green Title: Senior Vice President of Operations
Address: 29950 S. Bonanza Hwy.
City, State, Zip: Bonanza, UT 84008
Phone: 435-789-1921 Fax: 435-789-1956
Emergency, Weekend, or Holiday Phone: 435-790-3863
E-mail Address: sgreen@amgc.com

This person may be notified for: permitting _____ surety _____ Notices _____
(please check all that apply)

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

Registered Utah Agent (as identified with the Utah Dept of Commerce) (if individual leave blank):

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

3. Certification:

This certification must be signed by:

- (1.) an executive officer if the applicant is a corporation;
- (2.) a partner if applicant is a partnership (general or limited);
- (3.) the owner if applicant is a sole proprietorship;
- (4.) the member or manager if applicant is a limited liability company; or
- (5) the individual if the applicant is filing as an individual:

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. Lexco Inc. (transferor), has provided a copy of the approved mining and reclamation plan. I will follow the approved mining and reclamation plan until such time that I provide the Division with an amended Notice of Intention (plan) and receive approval of the amended Notice; AND
- b. I commit to the reclamation of the aforementioned large mining operation as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature: _____

Date: 12/3/09

Name (typed or printed): Stuart L. Green

Title/Position (if applicable): Vice President of Operations